

SB3535



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3535

Introduced 2/10/2010, by Sen. Kwame Raoul

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-129

from Ch. 108 1/2, par. 17-129

Amends the Chicago Teacher Article of the Illinois Pension Code. Changes references from "Board of Education" to "Chicago Board of Education" and from "Board" to "Pension Board". Effective immediately.

LRB096 19099 AMC 34490 b

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 17-129 as follows:

6 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

7 Sec. 17-129. Employer contributions; deficiency in Fund.

8 (a) If in any fiscal year of the Chicago Board of Education
9 ending prior to 1997 the total amounts paid to the Fund from
10 the Chicago Board of Education (other than under this
11 subsection, and other than amounts used for making or "picking
12 up" contributions on behalf of teachers) and from the State do
13 not equal the total contributions made by or on behalf of the
14 teachers for such year, or if the total income of the Fund in
15 any such fiscal year of the Chicago Board of Education from all
16 sources is less than the total such expenditures by the Fund
17 for such year, the Chicago Board of Education shall, in the
18 next succeeding year, in addition to any other payment to the
19 Fund set apart and appropriate from moneys from its tax levy
20 for educational purposes, a sum sufficient to remove such
21 deficiency or deficiencies, and promptly pay such sum into the
22 Fund in order to restore any of the reserves of the Fund that
23 may have been so temporarily applied. Any amounts received by

1 the Fund after December 4, 1997 from State appropriations,
2 including under Section 17-127, shall be a credit against and
3 shall fully satisfy any obligation that may have arisen, or be
4 claimed to have arisen, under this subsection (a) as a result
5 of any deficiency or deficiencies in the fiscal year of the
6 Chicago Board of Education ending in calendar year 1997.

7 (b) (i) For fiscal years 2011 through 2045, the minimum
8 contribution to the Fund to be made by the Chicago Board of
9 Education in each fiscal year shall be an amount determined by
10 the Fund to be sufficient to bring the total assets of the Fund
11 up to 90% of the total actuarial liabilities of the Fund by the
12 end of fiscal year 2045. In making these determinations, the
13 required Chicago Board of Education contribution shall be
14 calculated each year as a level percentage of the applicable
15 employee payrolls over the years remaining to and including
16 fiscal year 2045 and shall be determined under the projected
17 unit credit actuarial cost method.

18 (ii) For fiscal years 1999 through 2010, the Chicago Board
19 of Education's contribution to the Fund, as a percentage of the
20 applicable employee payroll, shall be increased in equal annual
21 increments so that by fiscal year 2011, the Chicago Board of
22 Education is contributing at the rate required under this
23 subsection.

24 (iii) Beginning in fiscal year 2046, the minimum Chicago
25 Board of Education contribution for each fiscal year shall be
26 the amount needed to maintain the total assets of the Fund at

1 90% of the total actuarial liabilities of the Fund.

2 (iv) Notwithstanding the provisions of paragraphs (i),
3 (ii), and (iii) of this subsection (b), for any fiscal year the
4 contribution to the Fund from the Chicago Board of Education
5 shall not be required to be in excess of the amount calculated
6 as needed to maintain the assets (or cause the assets to be) at
7 the 90% level by the end of the fiscal year.

8 (v) Any contribution by the State to or for the benefit of
9 the Fund, including, without limitation, as referred to under
10 Section 17-127, shall be a credit against any contribution
11 required to be made by the Chicago Board of Education under
12 this subsection (b).

13 (c) The Pension Board shall determine the amount of Chicago
14 Board of Education contributions required for each fiscal year
15 on the basis of the actuarial tables and other assumptions
16 adopted by the Pension Board and the recommendations of the
17 actuary, in order to meet the minimum contribution requirements
18 of subsections (a) and (b). Annually, on or before February 28,
19 the Pension Board shall certify to the Chicago Board of
20 Education the amount of the required Chicago Board of Education
21 contribution for the coming fiscal year. The certification
22 shall include a copy of the actuarial recommendations upon
23 which it is based.

24 (Source: P.A. 89-15, eff. 5-30-95; 90-548, eff. 12-4-97;
25 90-566, eff. 1-2-98; 90-655, eff. 7-30-98.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.